HONDA GIKEN KOGYO KABUSHIKI KAISHA v. MFORCE BIKE HOLDINGS SDN BHD & ANOR

COURT OF APPEAL, PUTRAJAYA
HANIPAH FARIKULLAH JCA
S NANTHA BALAN JCA
HASHIM HAMZAH JCA
[CIVIL APPEAL NO: W-02(IPCV)(W)-3-01-2017]
22 JULY 2021

INTELLECTUAL PROPERTY: *Copyright – Infringement – Artistic works in motorcycle – Reproducing or causing reproduction of works or substantial part thereof – Whether there were similarities between infringing work and copyright work – Whether infringement of copyright covers direct and indirect copying – Whether copying copy of original work amounted to infringement – Whether there was prior opportunity and access to copy of copyright work – Whether infringing work proven to be substantially similar to copy of original work – Whether original work was source from which copy derived – Whether causal connection established – Copyright Act 1967, ss. 13(1)(a), 13A & 13B*

The second respondent, a company incorporated in Malaysia dealing with the business of assembling and trading motorcycles, was appointed by Sanyang Industry Taiwan, the principal owner of the Sanyang Motor ('SYM') brand for motorcycles and scooters, as the exclusive import agent and assembler of SYM's motorcycle and scooters in Malaysia. The second respondent's assembly plant for SYM's motorcycles and scooters was located in Alma, Bukit Mertajam, Pulau Pinang. The second respondent appointed the first respondent as the primary distributor of SYM's motorcycles and scooters to various dealers and authorised agents throughout Malaysia. The appellant, a multinational corporation based in Tokyo, Japan and one of the largest manufacturers of automobiles, motorcycles, internal combustion engines and spare parts for automobiles and motorcycles, sued the respondents for infringement of copyright in the appellant's artistic works of its motorcycle known as 'Honda EX-5' and 'Honda EX-5 Dream' ('EX-5 motorcycle'). The artistic works ('EX-5 works') were: (i) the two-dimensional form drawings of the EX-5 motorcycle ('EX-5 drawing'); and (ii) the three-dimensional form of the EX-5 motorcycle. The trial judge dismissed the appellant's claim holding that even though copyright subsisted in the appellant's EX-5 works, there was no infringement of the appellant's copyright in the EX-5 works by the respondents. Dissatisfied, the appellant filed an appeal against the part of the decision that there was no infringement of the appellant's copyright in the EX-5 works by the respondents, whilst the respondents filed a notice of cross-appeal seeking an extension of the non-infringement issue and the statutory defence under ss. 13A and 13B of the Copyright Act 1987 ('Act').

Prior to the hearing of this appeal, this court (presided by a different panel) had already heard two appeals, namely: (i) IPCV Appeal 2, which was the respondents' appeal being dissatisfied with the decision that copyright subsisted in the appellant's EX-5 works; and (ii) the Demak Appeal, which was the appellant's action against other parties which subsequently went on appeal. These two appeals had been partially consolidated exclusively to be heard on the issue of subsistence and ownership of the copyright in the EX-5 works ('copyright issue'). The respondents' appeal in the IPCV was dismissed, which meant that the decision of the trial judge that copyright subsisted in the EX-5 works in Malaysia and that the appellant owned such copyright was upheld ('appeal judgment on copyright'). The Demak Appeal was struck off upon the filing of a notice of discontinuance by the appellant. The respondents, dissatisfied with the appeal judgment on copyright, had applied for leave to appeal to the Federal Court. However, the application was refused and hence, the appeal judgment on copyright stood. The appellant's claim against the respondents was based on its exclusive right to control the reproduction in any material form, the whole or substantial part of its artistic works, *ie*, the EX-5 works pursuant to s. 13(1)(a) of the Act. It was the appellant's case that the respondents had infringed the appellant's copyright by reproducing or causing the reproduction of the EX-5 works or a substantial part thereof without the appellant's license or consent by manufacturing, producing and assembling the SYM E-Smart motorcycle in Malaysia and continuing to do so and since its launch for sale in 2014 in Malaysia, the respondents had engaged in the business of selling and trading the SYM E-Smart motorcycle.

Held (allowing appellant's appeal; dismissing respondents' cross-appeal)
Per Hashim Hamzah JCA delivering the judgment of the court:

(1) The exclusion of the elements of commonplace, unoriginality and general ideas shall be directed at the similarities between the copyright work and the infringing work, and not at their differences. The purpose is to single out any substantially similar works which are commonplace, unoriginal and consisting of general ideas from the protection of copyright. The trial judge addressed the respondents' contention in the following manner, *inter alia*, that: (i) the originality should be determined with respect to the work as a whole and not through individual sub-divided parts; and (ii) the EX-5 works were original, since: (a) the respondents failed to produce a motorcycle designed like the EX-5 motorcycle before Mr Koizumi created it; (b) the respondents failed to refer to any earlier motorcycle having a design, same as or alike the EX-5 works; and (c) the respondents had shown that there were similarities in separate and particular parts of the motorcycle when making the comparison but failed to show that the EX-5 drawings originated from another work or another author other than Mr Koizumi

himself. Hence, the respondents had failed to show any error in the judgment which would otherwise warrant an appellate intervention. (paras 36, 39 & 42)

(2) Infringement of copyright under the Act covers both direct and indirect copying. Indirect copying or, in other terms, copying a copy of the original work, would not avail the respondents from liability for infringement of copyright. However, it must be shown on evidence and on the balance of probabilities that the copyright work was the source of the copy which was copied by the respondents. (paras 47 & 52)

(3) One of the circumstances where a causal connection between the infringing work and the copyright work may be established is when it could be shown that the respondents had prior access to the appellant's works. The respondents admitted that the SYM E-Smart motorcycle was created based on the Vietnamese model of Sanda Boss which was first launched in 2001. The SYM E-Smart motorcycle was launched in 2014 in Malaysia and the EX-5 motorcycle was first launched in Malaysia in 1987 and Vietnam in 1991. The EX-5 works enjoyed copyright protection in Malaysia with effect from 1 October 1990. Hence, there was prior opportunity and access on the part of Sanda Boss and the respondents to copy the EX-5 works. (paras 54 & 55)

(4) Upon careful perusal of both the Sanda Boss design and technical drawings and the EX-5 works and all the relevant evidence, there was a substantial similarity between the Sanda Boss motorcycle and the EX-5 works. The similarity even included all the smallest design details and features including the exact 16 ridges on the ornamental rubber piece. The Sanda Boss motorcycle was a copy, or an almost identical copy of the EX-5 motorcycle and the only possible conclusion was that the EX-5 works was the source from which the Sanda Boss motorcycle was derived upon. (paras 56 & 58)

(5) It was the respondents' assertion that the Sanda Boss motorcycle did not infringe the EX-5 in Vietnam, and it is trite that the party who asserts must prove. The trial judge had wrongfully placed the burden on the part of the appellant to prove that the EX-5 works were copyright protected in Vietnam so as to afford the same protection against the SYM E-Smart motorcycle in Malaysia. The issue of whether the Sanda Boss motorcycle infringed the EX-5 works in Vietnam or anywhere else for that matter was irrelevant. The appellant's claim against the respondents was for infringing its copyright in the EX-5 works pursuant to s. 13(1)(a) of the Act in manufacturing, producing, assembling and trading the SYM E-Smart motorcycle in Malaysia. The appellant was not claiming for any acts of copying or reproduction of the EX-5 works in Vietnam. As such, the appellant had successfully proved that there was a causal connection between the SYM E-Smart motorcycle and the EX-5 works. (paras 59-62)

(6) As the EX-5 works enjoyed copyright protection in Malaysia with effect from 1 October 1990, copyright already subsisted in the EX-5 works before the 1996 Amendment Act came into force on 1 September 1999. Sections 13A and 13B of the Act did not apply to the appellant's copyright in the EX-5 works. In the circumstances, the respondents' reliance on ss. 13A and 13B of the Act as their defence against infringement was devoid of merits. Hence, the High Court order regarding the copyright infringement was set aside. (paras 68 & 72-74)

Case(s) referred to:

Chow Yee Wah & Anor v. Choo Ah Pat [1978] 1 LNS 32 PC ***(refd)***
Designers Guild Ltd v. Russell Williams (Textiles) Ltd [2001] 1 All ER 700 ***(refd)***
Elster Metering Limited & Anor v. Damini Corporation Sdn Bhd & Anor [2012] 1 LNS 959 CA ***(refd)***
Elster Metering Limited & Anor v. Damini Corporation Sdn Bhd & Anor [2010] 1 LNS 397 HC ***(refd)***
Francis Day & Hunter v. Bron [1963] Ch 587 ***(refd)***
Gan Yook Chin & Anor v. Lee Ing Chin & Ors [2004] 4 CLJ 309 FC ***(refd)***
Global Yellow Pages Ltd v. Promedia Directories Pte Ltd [2016] 2 SLR 165 ***(refd)***
Henkel KgaA v. Hodfast New Zealand Ltd [2007] 1 NZLR 577 ***(refd)***
Honda Giken Kogyo Kabushiki Kaisha v. Allied Pacific Motor (M) Sdn Bhd & Anor [2005] 6 CLJ 174 HC ***(refd)***
Kiwi Brands (Malaysia) Sdn Bhd v. Multiview Enterprises Sdn Bhd [1998] 2 CLJ Supp 194 HC ***(refd)***
Mohd Syamsul Md Yusof & Ors v. Elias Idris [2019] 7 CLJ 560 FC ***(refd)***
Ng Hoo Kui & Anor v. Wendy Tan Lee Peng, Administrator Of The Estates Of Tan Ewe Kwang, Deceased & Ors [2020] 10 CLJ 1 FC ***(refd)***
Peko Wallsend Operations Ltd & Ors v. Linatex Process Rubber Bhd [1993] 2 CLJ 94 HC ***(foll)***
Plastech Industrial Systems Sdn Bhd v. N & C Resources Sdn Bhd & Ors [2012] 5 MLJ 258 ***(refd)***
The New Straits Times Press (Malaysia) Bhd & Anor v. Admal Sdn Bhd [2013] 9 CLJ 955 CA ***(refd)***
UEM Group Bhd v. Genisys Integrated Engineers Pte Ltd & Anor [2010] 9 CLJ 785 FC ***(refd)***
Watt or Thomas v. Thomas [1947] AC 484 ***(refd)***

Legislation referred to:

Copyright Act 1987, ss. 3, 13(1)(a), 13A, 13B, 36(1)

Other source(s) referred to:

Khaw Lake Tee, *Copyright Law in Malaysia*, 3rd edn, 2008, p 206
Khaw on Copyright Law in Malaysia, 4th edn, 2017, p 12

For the appellant - Linda Wang Chaw Ling & Kwok Tat Wai; M/s Zaid Ibrahim & Co
For the respondents - Khoo Guan Huat, Kuek Pei Yee, Melissa Long, Joshua Teng & Hazmi Arifin; M/s Skrine

[Editor's note: For the High Court judgment, please see Honda Giken Kogyo Kabushiki Kaisha v. Mforce Bike Holdings Sdn Bhd & Anor And Another Case [2017] 1 LNS 1646 (overruled).]

Reported by S Barathi

JUDGMENT

Hashim Hamzah JCA:

Introduction

[1] The appellant is a multinational corporation based in Tokyo, Japan. The appellant is one of the largest manufacturers of automobiles, motorcycles, internal combustion engines and spare parts for automobiles and motorcycles.

[2] The first respondent is a company incorporated in Malaysia. The first respondent is in the business of trading various types of motorcycles and motorcycle accessories. The second respondent is a company incorporated in Malaysia dealing with the business of assembling and trading motorcycles.

[3] Sanyang Industry Taiwan is the principal owner of the Sanyang Motor ("SYM") brand for motorcycles and scooters. The second respondent was appointed as the exclusive import agent and assembler of SYM's motorcycle and scooters in Malaysia. The second respondent's assembly plant for SYM's motorcycles and scooters is located in Alma, Bukit Mertajam, Pulau Pinang.

[4] The first respondent was appointed by the second respondent as the primary distributor of SYM's motorcycles and scooters to various dealers and authorised agents throughout Malaysia.

[5] The appellant sued the respondents *via* Kuala Lumpur High Court Civil Suit No: 22IP-37-07/2014 for infringement of copyright in the appellant's artistic works of its motorcycle known as "Honda EX-5" and "Honda EX-5 Dream" (hereinafter collectively referred to as the "the EX-5 motorcycle").

[6] The artistic works (which shall hereinafter be referred to as "the EX-5 works") are:

(i) the two-dimensional form drawings of the EX-5 motorcycle (hereinafter referred to as "the EX-5 drawing*) (exh. P5/P5A); and

(ii) the three-dimensional form of the EX-5 motorcycle (exh. P4).

[7] The appellant in its statement of claim sought for the following reliefs:

> (1) An injunction to forthwith restrain the 1st and 2nd defendants and each of them, jointly and severally, whether by themselves, their directors, managers, officers, servants and agents or any of them howsoever from infringing or encouraging, procuring, causing, enabling, authorising, assisting and/or permitting any others to infringe the plaintiff's copyright in the following, which are together and/or separately called "works"-
>
> (a) the two-dimensional form drawings of the plaintiff's motorcycle of the model known as "Honda EX-5" or "Honda EX-5 Dream" (hereafter called EX-5"), more particularly shown in SCHEDULE 1 hereto

A (b) the three-dimensional form of its EX-5 motorcycle, more particularly shown by way of photographic representations in SCHEDULE II hereto

(2) An injunction to forthwith restrain the 1st and 2nd defendants and each of them, jointly and severally, whether by themselves, their directors, B managers, officers, servants and agents or any of them howsoever from doing any of the following, encouraging, procuring, causing, enabling, authorising, assisting and/or permitting any others to do any of the following:

(a) reproduce the works or any substantial part of the works in any material form C

(b) manufacture, produce, import, assemble, supply, distribute, market, sell, exhibit, expose or offer for sale or otherwise deal by way of trade or in a commercial way, their motorcycle of the model known as "SYM E- Smart" or "E-Smart" more particularly shown by way of photographic representations in SCHEDULE III hereto D (hereafter called "Infringing motorcycle")

(c) importing into Malaysia any parts for the purposes of assembling, making or producing the Infringing motorcycle in any way

(d) converting the plaintiff's copyright in the works by committing any acts which infringes such copyright or in any way howsoever E

(3) An order that each and all of the defendants do deliver up to the plaintiff, its solicitors or authorised agents within 14 days from the date of service of this Order on the defendants or their solicitors -

(a) all and any of the Infringing motorcycle in the possession, custody, power or control of the defendants or any of them, their directors, F officers, representatives, servants or agents, contractors and/or associated companies for the destruction or disposal in the manner deemed fit by the plaintiff in their absolute discretion; and

(b) an affidavit or statutory declaration duly sworn by the defendants confirming under oath that such matters required by this Order to G be delivered up and complied with have been so delivered up and complied with and further, a copy of this defendants' affidavit or statutory declaration shall be filed in Court

(4) An order for full discovery against each of the defendants of all relevant documents, date, record and information whether in printed H form, stored in optical discs or other storage device or in digital form, related to and/or connected with the defendant's making, production, manufacture, assemble, importation, distribution, marketing, exhibiting, exposing or offering for sale or selling of the Infringing motorcycle or any part thereof and the delivery up of such documents, data, record and information to the plaintiff's solicitors within 14 days from the date of I service of this Order on the defendants or their solicitors together with

an affidavit or statutory declaration duly sworn by the defendants confirming under oath that all that are required to be delivered up have been so delivered up

(5) An order for the publication of a full apology by the defendants for their wrongful infringement of the copyright in the works in terms, content and format satisfactory and acceptable to the plaintiff, in 3 daily newspapers of the plaintiff's choice, of a size and at a page of the newspapers to be specified by the plaintiff and the said publication is to be published no later than within 14 days from the date of service of this Order on the defendants or their solicitors

(6) An inquiry as to damages in respect of the defendants' acts of copyright infringement or at the plaintiff's option, an account of profits and payment by the defendants to the plaintiff of all sums found due upon taking such inquiry or account together with interest thereon

(7) Alternative to paragraph (6) above and at the election of the plaintiff, statutory damages pursuant to s. 37(1)(d) Copyright Act 1987 and payment to the plaintiff of all such sums awarded as damages together with all interest due

(8) Additional damages pursuant to s. 37(7) of the Copyright Act 1987 and payment to the plaintiff of all such sums awarded as aggravated and/or additional damages

(9) Interest

(10) Costs; and

(11) Such further and other relief as this Honourable Court deems fit to grant.

[8] The matter went for a full trial. On 24 November 2016, the learned trial judge decided in favour of the respondents and dismissed the appellant's claim with costs. The learned trial judge decided that even though copyright subsisted in the appellant's EX-5 works, there was no infringement of the appellant's copyright in the EX-5 works by the respondents.

[9] Dissatisfied, the appellant filed an appeal against that part of the learned trial judge's decision that there was no infringement of the appellant's copyright in the EX-5 works by the respondents. The appeal was registered as Civil Appeal No. W-02(IPCV)(W)-3-01/2017 (which is the present appeal). In the present appeal, the respondents filed a notice of cross-appeal seeking for an extension of the non-infringement issue and the statutory defence under ss. 13A and 13B of the Copyright Act 1987 [Act 332].

[10] On the other hand, although the appellant's claim was dismissed, the respondents nevertheless filed an appeal as they were dissatisfied with the learned trial judge's decision that copyright subsisted in the appellant's EX-5 works. The respondents' appeal was registered as Civil Appeal No. W-02(IPCV)(W)-2-01/2017 ("IPCV Appeal 2").

[11] In a separate suit, the appellant had filed an action against other parties *via* Kuala Lumpur High Court *vide* Civil Suit No: 22IP-36-07/2014 (hereinafter referred to as "the Demak suit"). The matter also went on appeal before the Court of Appeal *via* Appeal No: W- 02(IPCV)(W)-2376-12/2016 (hereinafter referred to as "the Demak appeal").

[12] Prior to the hearing of this appeal, this court (presided by a different panel) had already heard the two appeals (namely IPCV Appeal 2 and the Demak appeal), which has been partially consolidated exclusively to be heard on the issue of subsistence and ownership of the copyright in the EX-5 works (hereinafter referred to as "the copyright issue").

[13] On 30 October 2019, the respondent's appeal in IPCV appeal 2 was dismissed with costs. In short, the decision of the learned trial judge that copyright subsists in the EX-5 works in Malaysia and that the appellant owns such copyright was upheld (hereinafter referred to as "the appeal judgment on copyright"). With regard to the Demak appeal, a notice of discontinuance has been filed by the appellant in that appeal and the appeal has been struck off on 13 October 2020.

[14] The respondents were dissatisfied with the appeal judgment on copyright and applied for leave to appeal to the Federal Court. On 21 May 2020, the Federal Court refused to grant leave to the respondents. Thus, the appeal judgment on copyright stands.

[15] Therefore, the present appeal before us concerns primarily on the issue of whether there is an infringement by the respondents in the reproduction of the appellant's copyright in the EX-5 works or a substantial part thereof.

Law On Appellate Intervention

[16] It is trite that when a matter comes up on appeal, an appellate court is required to determine whether or not the trial court had arrived at its decision or finding correctly based on the relevant law and established evidence. It is also trite that an appellate court will not generally intervene with the decision of a trial court unless the trial court is shown to be plainly wrong in arriving at its decision. A plainly wrong decision happens when the decision of the trial court is arrived at without judicial appreciation of the evidence (see *UEM Group Bhd v. Genisys Integrated Engineers Pte Ltd & Anor* [2010] 9 CLJ 785; [2010] MLJU 2225, *Chow Yee Wah & Anor v. Choo Ah Pat* [1978] 1 LNS 32; *Watt or Thomas v. Thomas* [1947] AC 484; and *Gan Yook Chin & Anor v. Lee Ing Chin & Ors* [2004] 4 CLJ 309; [2005] 2 MLJ 1; *Ng Hoo Kui & Anor v. Wendy Tan Lee Peng, Administrator Of The Estates Of Tan Ewe Kwang, Deceased & Ors* [2020] 10 CLJ 1; [2020] MLJU 1469; [2020] 12 MLJ 67 FC).

The Relevant Law On Copyright Infringement

[17] The appellant's claim against the respondents is based on its exclusive right to control the reproduction in any material form, the whole or substantial part of its artistic works, ie, the EX-5 works pursuant to s. 13(1)(a) of the Copyright Act 1987 [Act 332]. The relevant provision reads:

> Section 13. Nature of copyright in literary, musical or artistic works, films and sound recordings.
>
> (1) **Copyright** in a literary, musical or **artistic work**, a film, or a sound recording or a derivative work **shall be the exclusive right to control in Malaysia**:
>
> (a) **the reproduction in any material form**;
>
> ...
>
> **of the whole work or a substantial part thereof, either in its original or derivative form** ...
>
> (emphasis added)

[18] Section 36(1) of Act 332 defines "infringement" in the following manner:

> Section 36. Infringements.
>
> (1) Copyright is **infringed** by any person **who does, or causes any other person to do, without the licence of the owner of the copyright, an act the doing of which is controlled by copyright under this Act**.
>
> (emphasis added)

[19] In the present appeal, the basis of the appellant's claim is the respondents' alleged infringement of its copyright of the EX-5 works through a reproduction of the whole or a substantial part of the work thereof. "Reproduction" is defined under s. 3 of Act 332 as:

> **The making of one or more copies of work in any form or version, and in relation to an artistic work includes the making of a copy in three dimensions of a two-dimensional work** and **the making of a copy in two dimensions of a three-dimensional work**, and "reproducing" shall be construed accordingly.
>
> (emphasis added)

[20] It is the appellant's case that the respondents have infringed the appellant's copyright by reproducing or causing the reproduction of the EX-5 works or a substantial part thereof without the appellant's license or consent by:

(i) manufacturing, producing and assembling the SYM E-Smart motorcycle in Malaysia and continuing to do so; and

(ii) more specifically:

(a) the assembly of the SYM E-Smart motorcycle by the respondents takes place in Alma, Bukit Mertajam 14000, Penang; and

(b) the first respondent is the primary distributor and marketing arm for the SYM E-Smart motorcycle.

[21] Since its launch for sale in 2014 in Malaysia, the respondents have engaged in the business of selling and trading the SYM E-Smart motorcycle.

[22] In order to establish infringement by reproduction of the appellant's EX-5 works or a substantial part thereof, the appellant must therefore prove, on the balance of probabilities, that:

(i) there is sufficient objective similarity between the SYM E-Smart motorcycle and the EX-5 works or a substantial part thereof; and

(ii) there is a causal connection between the SYM E-Smart motorcycle and the EX-5 works.

[23] In the landmark case of *Francis Day & Hunter v. Bron* [1963] Ch 587, it was held by the English Court of Appeal that:

> ... Nevertheless, it is well established that **to constitute infringement of copyright** in any literary, dramatic or musical work, **there must be present two elements: first, there must be sufficient objective similarity between the infringing work and the copyright work, or a substantial part thereof**, for the former to be properly described, not necessarily as identical with, but as a reproduction or adaptation of the latter; **secondly, the copyright work must be the source from which the infringing work is derived**. The necessity for the second element was expressly laid down by the Court of Appeal in *Purefoy Engineering Co, Ltd. v. Sykes Boxall & Co. Ltd.*, 17 and is, indeed, implicit in all thee compilation cases, including the recent case in this court of *William Hill (Football) Ltd. v. Ladbrokes (Football) Ltd.*, 18 where tables of betting odds were unanimously held not to infringe the copyright in substantially identical tables because the authors of the later tables, although very familiar with the earlier tables, had, in fact, worked out the odds for themselves. **But while the copyright work must be the source from which the infringing work is derived, it need not be the direct source**: see *Hanfstaengl v. Empire Palace Ltd*. 19 Mr. Skone James, I think put it with his usual accuracy when he said **there must be a causal connection between the copyright work and the infringing work**. To borrow an expression once fashionable in the law of negligence, **the copyright work must be shown to be a *causa sine qua non* of the infringing work**.
>
> (emphasis added)

[24] The test in *Francis Day* (*supra*) received judicial recognition by our apex court in *Mohd Syamsul Md Yusof & Ors v. Elias Idris* [2019] 7 CLJ 560; [2019] 4 MLJ 788 (FC) where Ramly Ali FCJ in delivering the judgment of the Federal Court held:

[20] **The determination of the elements** as outlined in *Francis Day*, ie sufficient objective similarity and causal connection between the two works **is a question of fact and the burden is on the plaintiff** to establish those ingredients by evidence. Proof of both the above elements that **give rise to an inference that the defendants had copied the plaintiff's work** is to be rebutted by the defendants. **The burden then shuts to the defendants to show there was an independent creation of the movie**.

(emphasis added)

[25] See also *Elster Metering Limited & Anor v. Damini Corporation Sdn Bhd & Anor* [2012] 1 LNS 959 (CA).

Sufficient Objective Similarity

[26] With regard to the issue of sufficient objective similarity, we are guided by what has been decided by the Federal Court in *Mohd Syamsul bin Md Yusof* (*supra*) in reference to the case of *Designers Guild Ltd v. Russell Williams (Textiles) Ltd* [2001] 1 All ER 700; [2000] 1 WLR 2416 (HL) that:

[21] In an action for an infringement of copyright, as in the present case, *the court must first identify those features of the defendants' movie that the plaintiff alleged to have been copied from his novel. The court undertakes full comparison of the two works, noting the similarities and the differences. This is to determine whether the particular similarities relied on by the plaintiff are sufficiently close, numerous or extensive to be more likely to be the result of copying than of coincidence. It is at this stage that similarities may be disregarded because they are commonplace, unoriginal or consist of general ideas*. As aptly laid down in *Designer Guild Ltd v. Russell Williams (Textiles) Ltd* (2000) All ER (D) 1950, the copyright owner must demonstrate sufficient similarity, in the features which he alleged have been copied *and that the defendant had prior access of his copyright work* (see *Designer Guild Ltd v. Russell Williams (Textiles) Ltd* (2000) All ER (D) 1950).

[22] The question as to *whether the defendant has copied the plaintiff's work can generally and effectively be answered merely by a comparison of the two works in respect of all essential or features. Here, a useful test of copying is that the similarities of the features*, come so near to the original as to suggest that the features in the infringing work are the original *to the mind of every person seeing it*. Whether or not there has been an infringement *must be a matter of degree*, depending on the facts and circumstances of the case. As precisely said by Upjohn LJ in *Francis Day*, 'this is really a question of fact and nothing else which depends on the circumstances of each case'.

[23] The first question to be asked by the court is whether in fact the alleged infringing work is similar or substantially *similar to the copyright work*. The next question is *whether has the defendants copied the plaintiff's work or is it an independent work of his own*. The degree of objective similarity in each case *needs to be evaluated from the evidence* to determine the issue.

A [24] The *degree of objective similarity is*, of course, not merely important, *indeed essential*, in proving the first element in infringement, namely, *that the defendant's work can properly be described as a reproduction or adaptation of the copyright work*; it is also very cogent material from which *to draw the inference that the defendant has in fact copied*, whether consciously or unconsciously, the copyright.

B (emphasis added)

[27] In the present case, it was clear to us that the learned trial judge had conducted a visual comparison between the SYM E-Smart motorcycle and the EX-5 motorcycle. The learned trial judge then concluded that there was C evidence of close similarities and sufficient objective similarity between the SYM E-Smart motorcycle and the EX-5 works in the emblem, the opening on the side cover, the ornamental rubber piece with 16 ridges, the rear combination lamp and the instrumental panel. The relevant passage reads:

[89] Having taken a **visual comparison** between the plaintiff's EX-5 D motorcycle and the defendants' "E-SMART", I find that **there are evidences of close similarities**, including the following items:

(i) the emblem;

(ii) the opening on the side cover;

E (iii) the ornamental rubber piece with 16 ridges;

(iv) the rear combination lamp;

(v) the instrumental panel.

[90] From the said evidence, I am of the considered opinion that there are **sufficient objective similarities** between the plaintiff's EX-5 and the F defendant's 'E-SMART'.

(emphasis added)

[28] In support of her visual comparison approach, the learned trial judge had referred to the cases of *Designers Guild* (*supra*), *Elster Metering Limited & Anor v. Damini Corporation Sdn Bhd & Anor* [2010] 1 LNS 397; [2011] 8 MLJ G 253 (HC), and *Honda Giken Kogyo Kabushiki Kaisha v. Allied Pacific Motor (M) Sdn Bhd & Anor* [2005] 6 CLJ 174; [2005] 3 MLJ 30 (HC).

[29] In our view, there was no error in the approach taken by the learned trial judge. In fact, we have undertaken a similar exercise with reference to H the relevant evidence (under Tab-8 of the appellant's core bundle) and have reached the same conclusion as that of the learned trial judge.

[30] The learned trial judge then proceeded to determine whether the similarities constituted a substantial part of the EX-5 works. The learned trial judge went on to say:

I [91] The next element is *whether the part that is infringed forms a substantial part of the original works*. In *Radion Trading Sdn Bhd v. Sin Besteam Equipment Sdn Bhd & Ors* [2010] 6 CLJ 33, Justice Azahar Mohamed (as His Lordship then was) said at page 352:

[53] As for the third element, ie, whether the part that is infringed forms a substantial part of the original work, Gunn Chit Tuan J (later CJ(M)) in *Longman (M) Sdn Bhd v. Pustaka Delta Pelajaran Sdn Bhd* [1987] 1 CLJ 588; [1987] CLJ (Rep) 760 held that this is a "matter of fact and degree ... not because of the physical amount of the reproduction but because of the **substantial significance of that was copied**".

[54] In determining what constitutes "substantial part of the original work", I refer to Professor Khaw Lake Tee in "*Copyright Law in Malaysia*", who cited *Ibcos Computers Ltd v. Barclays Merchantile Highland Finance Ltd* [1994] FSR 275 and explained as follows:

> Where discrete parts of the plaintiff's works have been copied or where similarities are *sufficiently numerous or extensive to support an inference of copying, it is more likely than not that a substantial part of the work has been copied*.

[92] Therefore, *the compelling evidence of close similarities between the E-SMART motorcycle and the EX-5 motorcycle would necessarily lead to the conclusion that the E-SMART motorcycle is a copy or a substantial reproduction of the EX-5 motorcycle*.

(emphasis added)

[31] Furthermore, after evaluating and accepting the evidence of PW3, the learned trial judge had also found that the SYM E-Smart motorcycle is an almost identical copy of the EX-5 motorcycle. PW3 who undertook the scan data comparison analysis based on the data generated from a three-dimensional scanning of the EX-5 motorcycle and the SYM E-Smart motorcycle gave evidence that based on the superimposed image, the design and size of both motorcycles are substantially the same and almost identical. PW3 also gave evidence that the motorcycles are a copy or a very close copy of each other. The following is extracted from the learned trial judge's grounds of judgment:

[93] Added to that, the plaintiff has commissioned ARRK (Malaysia) Sdn Bhd ("ARRK Malaysia") to conduct scan data comparison analysis based on date generated from a three-dimensional ("3D") scanning of the EX-5 motorcycle and the E-SMART motorcycle. The ARRK Report gives the results of such comparison analysis and the conclusion reached is, pp. 180-181:

> ... *The designs of all main parts are almost the same or identical* between HONDA DREAM and SYM SMART ... *We do not find any major difference in terms of the designs and shapes of the 2 models of motorcycles*.
>
> From our analysis, the conclusion reached is that the SYM SMART and HONDA DREAM are of almost the same or substantially the same design, shape and size. *Very slight differences*

> *are found in some minor parts of the motorcycle such as the engine and the wheels. All the main parts are highly or closely similar in terms of the designs, shapes, size and dimensions.* (emphasis added)
>
> [94] I also accept the evidence of PW3 (WSPW3 - Infringement), the General Manager of ARRK Malaysia who handled the analysis work commissioned by the plaintiff who said that the Infringing motorcycle is a copy or substantial copy of the EX-5 works. PW3 said in evidence that *from the superimposed image, the design and size of both the motorcycles are substantially the same and almost identical*. PW3 added that the motorcycles are a copy or a very close copy of each other. He further explained that it is almost impossible to detect any difference in dimension, shape and size between the two motorcycles with our naked eyes and without the visual aid of the 3D scan.
>
> [95] Therefore, I find that the E-SMART motorcycle is an *almost identical copy* of the EX-5 motorcycle.
>
> (emphasis added)

[32] We pause here to address the respondents' submission on the findings of the learned trial judge above.

[33] According to the respondents, the learned trial judge had erred when she failed to exclude the elements of commonplace, unoriginality and general ideas of the EX-5 works. The respondents further submitted that there was already information available in the public domain of other brands of motorcycles which were similar to the EX-5 works.

[34] The respondents had also invited this court to consider the differences between each part of the SYM E-Smart motorcycle and the EX-5 works and assess each of the components in the SYM E- Smart motorcycle and the EX-5 works separately.

[35] We disagree with the respondents for the foregoing reasons.

[36] First and foremost, the principle is trite that the exclusion of the elements of commonplace, unoriginality and general ideas shall be directed at the similarities between the copyright work and the infringing work, and not at their differences. The purpose is to single out any substantially similar works which are commonplace, unoriginal and consisting of general ideas from the protection of copyright.

[37] In the case of *The New Straits Times Press (Malaysia) Bhd & Anor v. Admal Sdn Bhd* [2013] 9 CLJ 955; [2013] 6 MLJ 405 it was held that:

> [25] In our judgment, even if we are wrong in our ruling that the concept behind NST Spell It Right is not eligible for copyright protection due to its simplicity, the learned trial judge erred in ruling that the appellants had copied the NST Spell It Right concept. We opine to this effect because *it is common ground that in determining whether there has been copying, it is not*

the amount of copying that is relevant but the quality of the copying. In other words, there must be substantial copying of the concept as opposed to plenty of copying. Additionally, in determining the extent of copying, *a court of law is required to exclude any information which is commonplace*. What is commonplace was defined by J Arnold as follows:

> Furthermore, *to the extent that there are similarities, generally speaking they are similarities in respect of matters which were entirely commonplace*. For example, one of the matters that Mr Meakin relies upon is the use of premium rate phone lines. That, of course, was already *well known* by 2002, in particular as a result of the massive success of Who Wants to be a Millionaire? Which was first broadcast in 1998. Likewise, the use of income from premium rate phone calls to fund, at least in part, the prize was something that was well established by that point in time. Similarly, Mr Meakin relies upon the fact that it was part of some his proposals to have a split between an initial programme and a results programme. Again, that is not something that was particularly novel at that point in time.
>
> Of course I bear in mind that it is no answer to a claim for copyright infringement to say that what has been copied is not unique to the claimant. *Nevertheless, in considering whether there are similarities which support the inference of copying, the fact that the similarities not only exist only at a high level of generality, but also are shared by works which preceded the copyright works relied upon, is a material factor to take into account*.
>
> (emphasis added)

[38] Secondly, we found that the learned trial judge had already addressed the respondents' contention above *albeit* under the sub-heading of subsistence and ownership of the appellant's copyright. The relevant part of the judgment reads:

> [47] It is also the submission of the defendants that the EX-5 drawing is not original in character, and therefore is not copyright protected. *The defendants submit that there is already information available in the public domain, such as the Yamaha V70 (1977), the Suzuki FR 80 (1980), the Yamaha Y80 (1984) and several other motorcycles. Thus the onus is on the defendants to prove that the EX-5 drawing is not an original drawing, but was copied from the other motorcycles*.
>
> [48] On the issue of originality, the court in *Kiwi Brand (Malaysia) Sdn Bhd v. Multiview Enterprises Sdn Bhd* [1998] 2 CLJ Supp 194, held as follows:
>
> > The word *original* that appears in s. 7(3)(a) of the Copyright Act 1987 *does not mean that the work must be the expression of original or inventive thought*. I am of the considered view that the originality, which is required relates to the expression of the thought, it does not require that the expression must be an original or even novel form. *The work must not be copied from another work. It should originate from the author*. (emphasis added)

A [49] However *having considered the evidence*, I am of the considered opinion and I agree with the plaintiff that *there is no other motorcycle that is similar to the EX-5, and what the defendants have shown is simply that there are similarities in a particular part of the motorcycle when making the comparisons*.

B [50] In *Henkel KgaA v. Hodfast New Zealand Ltd* [2007] 1 NZLR 577, the New Zealand Supreme Court held that the *issue of originality is to be determined with respect to the work as a whole and not by subdividing the plaintiff's work and asking if there is copyright in the individual sub-divided parts*. In paragraph (40) of the judgment, the court said this:

> C [40] ... As Lord Reid emphasised, the correct approach is *first to determine whether the plaintiff's work as a whole is original and protected by copyright*. The second step is to see whether such part as may have been taken by the defendant is a substantial part of the plaintiff's work. *It is not correct to subdivide the plaintiff's work into its component parts and ask whether copyright might attach to the individual parts. Copyright, if it exists at all, exists in relation to the work as a whole* ... (emphasis added)

D [51] Therefore I agree with the plaintiff that to *sub-divide the EX-5 works into component parts and to compare that individual part in insulation from the rest of the design features in alleging no originality, is clearly wrong*. It is the defendants' attempt to "mosaic" the various individual parts of other motorcycles to allege that the EX-5 is not original, after *failing to produce a single motorcycle designed like the EX-5 before Mr. Koizumi created it. The defendants have not shown that Mr. Koizumi had copied the EX-5 drawing from another work*.

E [52] In any event, I find that the *defendants have failed to refer to any earlier motorcycle having a design the same as or alike the EX-5 works and this is admitted by DW1* (SYM Action) ...

(emphasis added)

[39] In short, the respondents' contentions have already been addressed by the learned trial judge in the following manner:

F (i) originality should be determined with respect to the work as a whole and not through individual sub-divided parts (see *Henkel KgaA v. Hodfast New Zealand Ltd* [2007] 1 NZLR 577); and

(ii) the EX5-works are original, since:

G (a) the respondents failed to produce a motorcycle designed like the EX-5 motorcycle before Mr Koizumi created it;

(b) the respondents failed to refer to any earlier motorcycle having a design the same as or alike the EX-5 works, as admitted by DW1;

H (c) the respondents have simply shown that there were similarities in separate and particular parts of the motorcycle when making the comparison but failed to show that the EX-5 drawings originated from another work or another author other than Mr. Koizumi himself; and

(d) reference was made to the case of *Kiwi Brands (Malaysia) Sdn Bhd v. Multiview Enterprises Sdn Bhd* [1998] 2 CLJ Supp 194 (HC).

[40] Again, we see no reason to interfere with the findings of the learned trial judge above.

[41] Furthermore, we have no reason to doubt that the learned trial judge had always had in the forefront of her mind, the above considerations when she was determining the issue of sufficient objective similarity even though it was not enumerated in the narrative specifically required by the respondents.

[42] In a nutshell, we found that the respondents had failed to show any error in the judgment of the learned trial judge on this issue which would otherwise warrant an appellate intervention. We see no reason to depart from the trial judge's finding that there is sufficient objective similarity between the SYM E-Smart motorcycle and the EX-5 works.

Causal Connection

[43] The next element which must be proven by the appellant is the existence of a causal connection between the SYM E-Smart motorcycle and the EX-5 works.

[44] Ramly Ali JCA (as he then was) in the case of *Elster Metering Limited* (*supra*) in delivering the judgment of the court held:

> [28] As has been established in law, there must be a causal connection between the copyright work (the Kent Meter) and the alleged infringing work (the Ningbo Meter); **in other words the copyright work must be shown to be a *causa sin qua* non of the infringing work**. As clearly stated by Diplock LJ in *Francis Day & Hunter Ltd* (*supra*) "If the existence of the copyright work has **no causal connection** with the production of the alleged infringing work (even though the latter be identical with the former) there is **no infringement** of copyright".
>
> (emphasis added)

[45] In defence of the appellant's claim and in an attempt to break the causal connection between the SYM E-Smart motorcycle and the EX-5 works, the respondents admitted that the SYM E-Smart motorcycle was created based on the Vietnamese model of Sanda Boss which was launched in 2001. The respondents further submitted that the Sanda Boss design did not infringe the EX-5 works because copyright protection in Malaysia under Act 332 does not operate extraterritorially.

[46] The learned trial judge agreed with the respondents in this issue and held that:

> [102] However, I am of the considered opinion that **the defendant having admitted to copying the Sanda Boss design, cannot be said to have copied the plaintiff's EX-5 works**. Even if the Sanda Boss has copied the EX-

A 5 equivalent in Vietnam and E-SMART has copied the Sanda Boss, therefore **the defendant's E-SMART have not directly copied the plaintiff's EX- 5 works. There is also no evidence given by the plaintiff that their EX-5 motorcycle is copyright protected in Vietnam** that affords its protection against the Sanda Boss, and eventually against the E-Smart.

(emphasis added)

B

[47] Firstly, we are of the considered view that it runs contrary to the law on copyright infringement to hold that infringement may be established through evidence of direct copying only. In our mind, infringement of copyright under Act 332 covers both direct and indirect copying.

C **[48]** We approve and agree with Siti Norma Yaakob J (as she then was) in *Peko Wallsend Operations Ltd & Ors v. Linatex Process Rubber Bhd* [1993] 2 CLJ 94; [1993] 1 MLJ 225 (HC) who observed that:

From these provisions, it **is clear that direct copying** of drawings or other forms of artistic work as defined by the Act, **is an infringement** and
D enforceable under the Act. Since the Act makes direct copying an infringement, **it is only right and proper that indirect copying is also an infringement, as to conclude otherwise would go against the intention of the legislature in enacting the Act as it did**.

(emphasis added)

E **[49]** We also agree with the learned authors in *Copinger, Skone James on Copyright*, (15th edn) who stated that:

Indirect Copying. Although there must be causal connection between the claimant's and the defendant's work for there to be an infringement, **this connection need not be direct**. The 1988 Act makes clear what has always
F been the position, namely, that **copyright may be infringed by copying something which is itself a copy of the claimants work**. Indeed, in most cases of alleged infringement the copying is done indirectly, the plagiarist never having seen the original manuscript, drawing etc., only the published work or other thing derived from the original work. The
G position is the same whether or not the intervening work is of a nature capable of enjoying copyright or is itself an infringement of copyright and even if there is no intervening work as such at all ...

... Even though copying may take place indirectly, it is still necessary to prove an unbroken chain between the claimant's and the defendant's work. **It must therefore be shown that the intermediate copy is itself**
H **either a direct or indirect copy of the copyright work**. ...

(emphasis added)

[50] On a similar note, the learned author in Khaw Lake Tee, *Copyright Law in Malaysia* (3rd edn, 2008) at p. 206 also states:

I Copying the plaintiff's work may be **direct or indirect. The copy may be made from the original or it may be from a copy or a reproduction of the original**

(emphasis added)

[51] Likewise, we also agree with the Singapore High Court in *Global Yellow Pages Ltd v. Promedia Directories Pte Ltd* [2016] 2 SLR 165 which held: A

> ... So long as the plaintiff can show on a balance of probabilities that there is indirect copying of a substantial part of the online directory that is an original work, copyright infringement will arise. **Copying, for purpose of copyright law, includes indirect copying; the copying of a copy of an original is still a copy**. B
>
> (emphasis added)

[52] Therefore, we reiterate that indirect copying, or in other terms copying a copy of the original work, would not avail the respondents in escaping its liability for infringement of copyright. However, it must be shown on evidence and on the balance of probabilities that the copyright work is the source of the copy which was copied by the respondents. C

[53] It can be seen based on the established evidence as follows.

[54] Firstly, we found that there was prior opportunity and access on the part of Sanda Boss and the respondents to copy the EX-5 works. The respondents admitted that the SYM E-Smart motorcycle was created based on the Vietnamese model of Sanda Boss which was first launched in 2001. It was not disputed that the SYM E-Smart motorcycle was launched in 2014 in Malaysia. It was also not disputed that the EX-5 motorcycle was first launched in Malaysia in 1987 and Vietnam in 1991. As found by the appeal judgment on copyright, the EX-5 works enjoyed copyright protection in Malaysia with effect from 1 October 1990. Even the respondents did not dispute that they had prior access to the EX-5 motorcycle. D E

[55] One of the circumstances where a causal connection between the infringing work and the copyright work may be established is when it can be shown that the respondents had prior access to the appellant's works (see *Plastech Industrial Systems Sdn Bhd v. N & C Resources Sdn Bhd & Ors* [2012] 5 MLJ 258 (HC)) and *Designers Guild* (*supra*)). F

[56] Secondly, upon careful perusal of both the Sanda Boss design and technical drawings and the EX-5 works (as can be seen in Tab-9 of the appellant's core bundle) and all relevant evidence, we found that there is a substantial similarity between the Sanda Boss motorcycle and the EX-5 works. The similarity even includes all of the smallest design details and features including the exact 16 ridges on the ornamental rubber piece. Even DW2 admitted that all the design features of the EX-5 works were present in the Sanda Boss motorcycle. PW2, who was responsible for assembling the EX-5 motorcycle for 15 years and had intimate knowledge of the shape and design of the EX-5 motorcycle, could immediately notice the same EX-5 design, shape and styling in the Sanda Boss motorcycle. G H I

[57] There was also no reasonable explanation given as to why the Sanda Boss was the same as or almost the same as the EX-5 motorcycle or the EX-5 works. There was no evidence to show that the Sanda Boss was anyone's independent creation. The respondents merely alleged that the Sanda Boss was derived from the Angel-80 motorcycle but there was no credible evidence to support this claim.

[58] After taking into consideration all of the above, it can be safely inferred that the Sanda Boss motorcycle is a copy or an almost identical copy of the EX-5 motorcycle and the only possible conclusion is that the EX-5 works is the source from which the Sanda Boss motorcycle was derived upon.

[59] Thirdly, we observed that the learned trial judge had wrongfully placed the burden on the part of the appellant to prove that the EX- 5 works are copyright protected in Vietnam so as to afford the same protection against the SYM E-Smart motorcycle in Malaysia. It is the respondents' assertion that the Sanda Boss motorcycle does not infringe the EX-5 in Vietnam and it is trite that the party who asserts must prove.

[60] Regardless of the above, we are of the considered view that the issue of whether the Sanda Boss motorcycle infringes the EX-5 works in Vietnam or anywhere else for that matter is irrelevant to the present case.

[61] This is due to the fact that the appellant's claim against the respondents is for infringing its copyright in the EX-5 works pursuant to s. 13(1)(a) of Act 332 in manufacturing, producing, assembling and trading the SYM E-Smart motorcycle in Malaysia. It was not disputed that the respondents' assembly and production facility for the SYM E-Smart motorcycle is situated in Alma, Bukit Mertajam 14000, Pulau Pinang. The appellant is not claiming for any acts of copying or reproduction of the EX-5 works in Vietnam.

[62] As such, we found that the appellant has successfully proven that there is a causal connection between the SYM E-Smart motorcycle and the EX5-works.

Independent Creation Of The SYM E-Smart motorcycle

[63] The burden now shifts to the respondents to show that they did not copy the EX-5 works. This can be done by showing that the SYM E-Smart motorcycle was independently created.

[64] In *Designers Guild* (*supra*), the following was observed by Lord Millet:

> If the plaintiff **demonstrates sufficient similarity**, not in the works as a whole but in the features which he alleges have been copied, and establishes that the **defendant had prior access to the copyright work**, the **burden passes to the defendant** to satisfy the judge that, despite the similarities, they **did not result from copying**.
>
> (emphasis added)

[65] On the same note, the learned authors in *Copinger, Skone James on Copyright*, (15th edn) stated:

> This can be summarised by saying that **proof of sufficient similarity, coupled with proof of possibility of access, raises** a *prima facie* case or **inference of copying** for the defendant to answer.
>
> (emphasis added)

[66] The respondents had readily admitted that the SYM E-Smart motorcycle was created based on the Sanda Boss motorcycle which was allegedly modelled after the Angel 80 motorcycle.

[67] According to the respondents, the SYM E-Smart motorcycle does not contain the same exhaust, headlight profile of the side view, headlight frame of the front view, front signal and position lights, tail lights and rear signal lights as that of the EX-5 motorcycle. However, we found that these differences are minor and do not sufficiently show on the balance of probabilities that the SYM E- Smart motorcycle has been independently created.

Statutory Defences

[68] The respondents in their submission sought to rely on ss. 13A and 13B of Act 332 as their defence against infringement.

[69] Section 13A of Act 332 provides that:

> Section 13A. Design documents and models.
>
> (1) It shall not be an infringement of any copyright in a design document or model recording or embodying a design for anything other than an artistic work or a typeface:
>
> (a) to make an article to the design, or to copy or to reproduce an article made to the design; or
>
> (b) to issue to the public, or include in a film, broadcast or cable programme service, anything the making of which was, by virtue of paragraph (a), not an infringement of that copyright.
>
> (2) In this section:
>
> "design" means the design of any aspect of the shape or configuration (whether internal or external) of the whole or part of an article, other than surface decoration; and
>
> "design document" means any record of a design, whether in the form of a drawing, a written description, a photograph, data stored in a computer or otherwise.

[70] Section 13B of Act 332 states:

Section 13B. Effect of exploitation of design derived from artistic work.

(1) This section applies where an artistic work has been exploited, by or with the licence of the copyright owner, by:

(a) making, by an industrial process or means, articles falling to be treated for the purposes of this Act as copies of the work; and

(b) marketing such articles in Malaysia or elsewhere.

(2) After the end of the period of twenty-five years from the end of the calendar year in which such articles are first marketed, the work may be copied by making articles of any description, or doing anything for the purpose of making articles of any description, and anything may be done in relation to articles so made, without infringing copyright in the work.

(3) Where only part of an artistic work is exploited as mentioned in subsection (1), subsection (2) applies only in relation to that part.

(4) The Minister may by order make provision:

(a) as to the circumstances in which an article, or any description of article, is to be regarded for the purposes of this section as made by an industrial process or means; and

(b) for excluding from the operation of this section such articles of a primarily literary or artistic character as he thinks fit.

(5) In this section:

(a) references to articles do not include films; and

(b) references to the marketing of an article shall be construed as references to it being sold or let for hire or offered or exposed for sale or hire.

[71] Sections 13A and 13B were introduced by the Copyright (Amendment) Act 1996, which came into force on 1 September 1999. The Copyright (Amendment) Act 1996 has savings and transitional provisions, in particular, s. 12 which reads:

s. 12 Nothing in this Act shall affect:

(a) ...

(b) works in which copyright subsisted immediately prior to the date of coming into force of this Act,

and the provisions of the principal Act and any regulations made thereunder shall continue to apply to such proceedings or works, as the case may be, as if the principal Act had not been amended by this Act.

[72] As found by the appeal judgment on copyright, the EX-5 works enjoyed copyright protection in Malaysia with effect from 1 October 1990. Thus, copyright already subsisted in the EX-5 works before the 1996 Amendment Act came into force which was on 1 September 1999.

[73] It is clear based on the above that ss. 13A and 13B of Act 332 do not apply to the appellant's copyright in the EX-5 works (see *Khaw on Copyright Law in Malaysia* (4th edn. 2017) p. 12, *Radion Trading* (*supra*), and *Elster Metering* (*supra*)). The respondents' submission on this issue is devoid of merits.

Conclusion

[74] In conclusion, based on all of the reasons enumerated above and after hearing the submission of all parties to the present appeal, we have come to a unanimous decision that there is merit in the appellant's appeal. We hereby order that:

(i) the appellant's appeal is allowed and the respondents' cross-appeal is dismissed;

(ii) the High Court order regarding the copyright infringement dated 24 November 2016 is set aside;

(iii) costs of RM100,000 to the appellant here and below;

(iv) costs of RM40,000 at the High Court to be refunded to the appellant;

(v) the appellant's claim is only allowed in prayers 1, 2, 3, 4, 6, 9 and 10 of the statement of claim whereas prayers 5, 7 and 8 of the statement of claim are not allowed; and

(vi) interest 5% from the date of the filing of the writ until the date of realisation.